

## **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



411151  
AIE4  
copy 3

# Economic Research Service

STA  
U.S. Department of Agriculture  
Washington, DC

Volume 5, Number 1

January/February 1987

---

A Bimonthly Newsletter for Economic Research Service Employees and Colleagues

---

## ERS Participates In Outlook '87



The annual USDA outlook conference was held December 2-4, and ERS played a major role. The outlook for agriculture presented at the conference can be summarized as continued oversupply for most of the program crops, the beginning of livestock herd expansion and continued large meat supplies, shifts in consumer preferences toward fresh fruits and vegetables, and rising net cash income but continued pressure on asset values.

Beef production will probably decline in 1987, but poultry production will continue to climb, keeping total meat supplies large. Acreage planted to the major program crops will fall with lower prices and increased land devoted to conserving uses. Partly because of declining planted acreage, the farm sector's production expenses could fall about 3 percent in 1987. Combined with an increase in direct Government payments to \$15 billion, the fall in production expenses will boost net cash income to \$45-50 billion in 1987. Net cash income in 1985 and 1986 was about \$44 billion each year.

In a major address at the opening session, USDA Assistant Secretary Robert Thompson said that during the late 1980's several factors could double the growth rate of foreign demand for farm products from the early 1980's

rate. The factors include expanding incomes, declining inflation, low interest rates, and world population growth of about 80 million per year. World farm trade could increase 3-4 percent a year, as it did in the 1950's and 1960's. With the United States improving its price competitiveness under the *Food Security Act of 1985*, the volume of U.S. farm exports could rise 4-5 percent a year.

By the end of the decade, total U.S. grain demand could rise to the levels of the late 1970's. However, increasing U.S. productivity and large existing stocks will require heavy reliance on acreage reduction programs throughout the period.

Thompson also called for continued investment in agricultural research, resistance to trade protectionism, and an end to policies that make acreage reduction programs necessary.

ERS speakers and panel members appeared at several sessions, in addition to the commodity and farm finance sessions. Retail prices, the impacts of biotechnology, the impacts of demographic and socioeconomic changes on at-home food expenditures, changes occurring in rural America, and factors affecting agribusiness were the other topics covered by ERS staff at the outlook conference.

ERS staff who were conference speakers included Allen Baker (poultry), Robert Barry (sugar and sweeteners), James Blaylock

(implications of demographic and socioeconomic changes for food expenditures), Verner Grise (tobacco), Ronald Gustafson (cattle), Shannon Hamm (vegetables), Ben Huang (fruits), David Hull (feed grains), James Johnson (farm assets, debt, and equity), Gary Lucier (farm income), James Miller (dairy products), John Miranowski (technology and farm profitability and productivity), Ralph Parlett (food price prospects), and Leland Southard (hogs).

Calvin Beale, Kenneth Deavers, David Harrington, and Norman Reid were discussants on a panel on "Responses to a Changing Rural America," and Stan Daberkow moderated a panel on "Agribusiness Trends and Marketing Issues." □

## Situation and Outlook Reports Are Available Electronically

ERS provides electronic access to its situation and outlook reports through USDA's contract with Martin Marietta Data Systems. At the time the reports are released, their summaries are transmitted in

---

## Inside . . .

*Current research section*  
begins on page 2

*Administrator's letter* is on  
page 3

*Personnel notes*  
begin on page 7

*Highlights of staff activities*  
begin on page 9

electronic form to Martin Marietta. The rest of the reports are available at or before their publication. Several commercial "value-added" vendors of electronic data pick up the reports from Martin Marietta and retail them to various agribusiness firms and organizations. USDA employees can get the reports directly from Martin Marietta.

In response to requests from the vendors and their customers, the situation and outlook reports are now being electronically disseminated in three parts—summary, outlook text, and tables. The tables part contains those tables found in the appendix or "database" portion of the reports, and users of the system can browse through the list of tables for data of interest to them. The tables that appear within the text of the articles, however, will remain in the text part of the report. Also, special articles are now transmitted separately.

For more information on which electronic services are currently carrying ERS situation and outlook reports, contact Russell Forte of USDA's Public Affairs Office at (202) 447-5505. If your favorite vendor does not carry ERS's reports, you are encouraged to request that it do so. Finally, if you have any comments or suggestions on how ERS reports can be made more accessible electronically, contact Thomas Davis, Information Division, Economics Management Staff, USDA, at (202) 786-1503. □

## ERS Databases Available

To help make information and data resources readily available, ERS is now offering more than 20

databases on tape and disk files at nominal cost. ERS is also open to suggestions on release of other files which could be of particular value. If you have questions on obtaining data on tape or disk, write to ERS/Data, Room 228, 1301 New York Ave. NW., Washington, DC 20005-4788, or call (202) 786-1494.

ERS is prohibited by disclosure law from releasing unsummarized information concerning individuals or businesses. However, procedures have been developed that allow broader analytical, onsite use of some microdata files in ERS by university and other public interest analysts. Also, when tape or disk files are not available and onsite use of restricted data is impractical, ERS will consider preparation of special tabulations for fees that cover marginal costs. Such tabulations would necessarily be prepared as resources are available to avoid interruption of priority ERS work. Should you have special data needs, write to ERS Data Coordinator Edward Reinsel, Room 1212, 1301 New York Ave. NW., Washington, DC 20005-4788.

To make procedures underlying published statistics more understandable and thus make the data more useful, ERS is cooperating with other USDA agencies in revising the *Handbook on Major Statistical Series of the U.S. Department of Agriculture—How They Are Constructed and Used*. The thirteen volumes of this handbook, which are to be published during the next 6 months, will provide a working knowledge of what the various data series measure and how appropriate they may be for specific uses. The availability and cost of individual volumes will be announced as they are published. □

## Current Research

### Farmers' Economic Returns Under Conservation Provisions of 1985 Act Compared

To estimate the likely combined impact of conservation provisions in the *Food Security Act of 1985*, ERS economist Michael Dicks (786-1407) has compared average regional net returns per acre for different options open to farmers now producing crops on highly erodible land. Under the Act, farmers can:

- bid their highly erodible land for inclusion in the conservation reserve program (CRP);
- continue to farm the land but implement conservation measures to reduce soil erosion, thereby retaining eligibility for USDA program benefits (the conservation compliance provision that begins to take effect in 1990); or
- continue to farm the land without conservation and lose eligibility for program benefits.

[Continued on page 4]

### Economic Research Service

Vol. 5, No. 1, Jan./Feb. 1987

#### Editors:

Verla Rape and Lindsay Mann

#### Layout and Design:

Carolyn Riley

#### Production:

Patricia Beavers and Susan Yanero

#### Division Representatives:

Cecil Davison, Kathryn Lipton,  
Paul Myers, and Neill Schaller

The *ERS Newsletter* is published bimonthly and distributed free to ERS employees, colleagues, and retirees. Subscription requests and address changes should be addressed to the Editor, *ERS Newsletter*, ERS/USDA, Room 1212, 1301 New York Ave. NW., Washington, DC 20005-4788 (202-786-3310).



**Administrator's Letter—*Strengthening Commodity Analysis in ERS***

Commodity economics has been a mainstay of ERS for decades. Since the early days of the old Bureau of Agricultural Economics, ERS has been noted for its commodity experts and for its dependable flow of commodity information in situation and outlook reports, research monographs, staff reports, and statistical reports. ERS, in concert with other agencies in USDA, has also provided much of the staff analysis underlying commodity policy



formulation and program management. Many prominent names in the history of agricultural economics were associated with commodity production economics and marketing in ERS and predecessor agencies. ERS commodity analysts still enjoy an excellent reputation nationwide.

In recent years, however, the resources committed to commodity work (and other traditional mainline research areas) have been eroded because we have been faced with a shrinking resource base at the same time as we have redirected resources to new priorities and to meet the Department's policy staff work needs. That erosion now threatens the integrity of our commodity work. Commodity situation and outlook economists struggle to meet demanding report schedules while responding to a constant barrage of special requests, interagency commitments, and public inquiries. The research program that supports situation and outlook and that addresses basic commodity issues is no longer adequate.

Recently, an ERS task force reported on the barriers to excellence in our situation and outlook program. Barriers identified included inadequate staffing and support for existing staff, not enough salary flexibility to attract and keep as many outlook staff as needed, and a perceived lack of commitment to situation and outlook by ERS managers. These problems were considered especially acute in domestic and international commodity units.

I have made a commitment—one shared by all members of the ERS management team—to address all these barriers as fully and quickly as possible. The commitment includes providing enough resources to ensure that we build a premier reputation in commodity economics. This commitment will require modest redirection of dollars and positions from other work. Some organizational adjustments will also be required. During January, I will be seeking input from the ERS staff and conferring with people outside the agency with the objective of making some firm decisions by February 1. To guide us through this process, we have adopted a set of operating principles to minimize disruption of our continuing work, to ensure that no one is negatively affected, and to open up as many new career opportunities as possible.

Despite some constraints, ERS had a good year in 1986. We made significant strides in situation and outlook, research, staff analysis, data management, and in our contribution to the broader professional community and agricultural industry of which we are a part.

Let me take this opportunity to thank each member of ERS for your contribution to our progress in 1986 and wish for each of you a productive and fulfilling 1987.

  
John Lee

## Farmers' Economic Returns

[Continued from page 2]

The ERS analysis shows that in most regions farmers who continue to cultivate erodible land would benefit from implementing conservation measures. Assuming continuation of the *Food Security Act of 1985* provisions, foregone USDA program benefits would exceed the costs of conservation measures. Farmers whose conservation costs would be higher than program benefits might do better enrolling in the CRP. But the CRP may not be a reasonable option for some farmers, as only 40-45 million acres may be enrolled. Under current rules and under the different definitions of "highly erodible" used for compliance and CRP provisions, over 30 million acres that will be subject to conservation compliance are not eligible for the CRP. □

## Farming in the City's Shadow Attracts New Interest

An emerging national interest in farming near cities has quietly replaced the concern of a few years ago that farmland needed to produce food and fiber was being converted to urban uses at an alarming rate. While conversion remains a local concern, ERS economists Ralph Heimlich (786-1419), Marlow Vesterby, and Catherine Greene see farms on the urban fringe providing possible clues to the future structure of agriculture and the resolution of farm-nonfarm land use and environmental quality conflicts.

Heimlich, Vesterby, and Greene, who recently participated in a national conference on sustaining agriculture near cities,



USDA Photo

report that diversity of farm sizes, types, and enterprises near cities and use of "alternative agriculture" production methods seem to be giving those farms a resiliency greater than in much of mainstream agriculture, and they will explore the underlying relationships in a new study of land use shifts in rapid-growth areas. □

## Type-of-Farm Statistics Developed

ERS economist Agapi Somwaru (786-1812) has developed data on

income, production expenses, and returns by type of farm for 1959-82. Her report, *Disaggregated Farm Income by Type of Farm, 1959-82* (AER-558), shows that farm production has become more specialized and that each type of farm has shown distinct trends in size, number, and organization.

Income and production expenses differ by type of farm. Cash grain, cattle, hog, and sheep farms accounted for most of the cash receipts and expenses of the farm sector. Net cash income per farm of cotton, vegetable and melon, horticultural specialty, dairy, and poultry and egg farms increased faster than those of other farm types. The research, underway since 1983, uses standard industrial classification (SIC) data purchased by ERS from the Bureau of the Census. The work provides a base from which to assess how various revenue and expense components have historically been distributed by SIC farm type.

ERS has work underway to extend Somwaru's research. First, ERS's *Farm Costs and Returns Survey* is designed to provide components of expenses and revenues that are incorporated into the type-of-farm projections. Thus, one can begin to combine current sample data with historical benchmarks to assess changes that may have occurred in the income position. From a companion project, ERS published *Developing Financial Indicators for U.S. Farms by Type of Farm* (ERS Staff Report AGES-850712). That report developed SIC disaggregations for the balance sheet. Taken together, data on the distribution of assets, liabilities, and sources and uses of income will help ERS to better assess factors affecting returns to resources used in the farm sector. □



## Oats Industry Examined

ERS researcher Linwood Hoffman (786-1840) recently completed a study on the U.S. oats industry that provides basic economic information on the changes during 1950-85. He examined the basic factors that have affected the supply, demand, and price relationships for U.S. oats. Factors partially responsible for the decline in acreage devoted to oat production over time include:

- lower profitability in relation to other field crops;
- declining feed demand;
- less emphasis on crop rotation; and
- increased specialization of both cash grain and livestock farms.

Other segments of the industry analyzed included the marketing process, costs of production and marketing, government policies and programs, and world production, consumption, and trade relationships. The report will be published in 1987. □

## Futures and Options Markets Studied

ERS researchers Joseph Glauber (786-1840), Richard Heifner, Gerald Plato, Theresa Sun, and Bruce Wright are studying farmers' use of futures and options markets. The objective of their study, which was mandated by the *Food Security Act of 1985*, is "...to determine the manner in which agricultural commodity markets and agricultural commodity options markets might be used by producers...to provide...price stability and income protection, the extent of the price stability and income protection producers might reasonably expect to receive

from such participation..., and the Federal budgetary impact...."

The ERS study will consider how some of the goals of farm policy might be attained with programs that operate through futures or options markets. A rational expectations model developed by Glauber is being used to investigate the effects of different programs on the level and variability of farmers' revenues and government costs. An interim report on the results for soybeans, corn, and wheat is planned for the summer of 1987; the final report is due December 1988. □

## Studies Analyze Links Between Agriculture and the U.S. Economy

Analytical estimates of the impact of reducing crop production on the demand for farm inputs typically are based on the assumption of constant returns to scale. But recent experience shows that in the real world a given change in output may not lead to an equivalent percentage change in the level of all inputs used in production.

ERS economist Robbin Shoemaker (786-1459) suggests a way around the assumption in a new report, *Effects of Changes in U.S. Agricultural Production on Demand for Farm Inputs* (TB-1722). He uses decomposition analysis to isolate the effects of changes in output, input prices, and technology on the demand for land, labor, machinery, and material inputs. Shoemaker's analysis shows that a decrease in production reduces the demand for machinery proportionately more than demand for labor, and reduces the demand for energy, fertilizer, and pesticides

proportionately more than the demand for land.

Also, *Agriculture's Links to the National Economy: Income and Employment* (AIB-504) explains the input and output relationships of the agricultural sector for 1984 and shows how changes in the farm sector can alter the Nation's economy. That report, by ERS researchers David Harrington, Gerald Schluter, and Patrick O'Brien, was published in October 1986. □

## Beef Cattle Sector Model Developed

ERS economist John Ginzel (786-1823) and John Nalivka (formerly with ERS) developed a spreadsheet model designed to disaggregate quarterly cattle slaughter numbers and weights into monthly first approximation levels, by incorporating typical seasonal relationships. The typical seasonal patterns were analyzed using an X11-ARIMA program. The model user can evaluate cattle slaughter mix and dressed weights by classes of cattle and derive monthly beef production. The weakness of many econometric models that forecast composite average cattle dressed weight rather than classes in the slaughter mix can now be addressed.

The user can make modifications within the spreadsheet at either the monthly or quarterly levels. The spreadsheet model develops monthly comparisons between actual and forecast statistics to aid in monitoring forecast developments over time.

The framework can be expanded to include other beef supply and disappearance factors and the beef/cattle price profile

factors. The model can also be adapted to other commodity sectors. □

### **ERS Cooperates with NAS on Beef-Carcass-to-Retail-Cut Conversion Factor**

Under a cooperative agreement with the National Academy of Sciences (NAS), ERS economists Kenneth Nelson and Lawrence Duewer (786-1862) are reevaluating the factor used by



USDA Photo

USDA to convert beef carcass weight disappearance to pounds purchased at retail. The factor has been set at 0.74 since 1962, although changes have occurred in the genetic type and finish of cattle slaughtered and in merchandising practices over the years. One of the most recent changes is the switch by some retailers to trimming fat to a quarter inch or less.

Nelson and Duewer will analyze the variables involved in estimating

the conversion factor and determine whether the various changes over time have tended to offset each other. They will develop a method for determining the current and future conversion factor and the transition process over the historical period. A new factor (if a change is needed) and necessary historical adjustments could be implemented in 1987. □

### **Alaskan Meat Industry Evaluated**

Terry Crawford (786-1821) is working with Wayne Thomas (University of Alaska) and William Costello (South Dakota State University) to evaluate the Alaskan meat industry. The recent closing of the only State-inspected livestock slaughter plant is causing economic distress among livestock producers and further aggravating marketing problems for Alaskan grain producers.

Crawford, Thomas, and Costello recommended to the Alaska Division of Agriculture that the State operate the plant as a central distribution facility for State institutional meat and fish procurement or as a Department of Corrections training and service facility. Alaskan agriculture, particularly livestock, is in an embryonic stage, with major infrastructure investment needed to compete with production in the lower 48 States. Even with investment in infrastructure, agricultural activity will be marginal. □

### **ERS Summarizes Immigration Reform and Control Act of 1986**

ERS economist Robert Coltrane (786-1932) has prepared a

summary of the major provisions of the *Immigration Reform and Control Act of 1986*. The Act includes provisions that:

- make knowingly hiring illegal aliens unlawful;
- give illegal aliens who have resided in the U.S. since January 1, 1982, legal resident status;
- revise the H-2 temporary foreign worker program for agriculture;
- create a new special agricultural worker program for perishable commodities; and
- establish a commission on agricultural workers to study specific labor issues.

The new law requires USDA to define in regulations "special agricultural services" and, jointly with the U.S. Department of Labor (USDL), to determine the "shortage" of workers in perishable commodities for fiscal years 1990-93. USDA and USDL are working with the U.S. Department of Justice to write regulations for the H-2A program and to certify that foreign workers are needed in agriculture. USDA must recommend to the President two members for the commission on agricultural workers. USDA is also one of several Federal agencies that must participate in a public education program on employer sanctions. □

### **Wunderlich Is New AER Editor**

ERS economist Gene Wunderlich is the new editor of the ERS quarterly journal, *Agricultural Economics Research (AER)*, replacing ERS economist Gerald Schluter who served in that role for 3 years. Wunderlich, who takes over with the 1987 volume, brings



to the editorship 30 years of research experience in ERS. Currently leader of the Land Ownership Section, Land Branch, Natural Resource Economics Division, Wunderlich is widely recognized for his research on land ownership, markets, values, tenure, and policy and for his contributions in the field of ethics in economics. □

## Personnel Notes

### Lederer Returns As IED's Assistant Director

Thomas Lederer is the new assistant director for staff and policy analysis and program



coordination in the International Economics Division (IED). In this new position, he will coordinate IED staff analyses and serve as the key contact for staff analyses with other ERS divisions, the Office of the ERS Administrator, and with USDA's Office of the Assistant Secretary for Economics. Lederer will also work on a broad array of program management and coordination activities within IED.

Lederer joined ERS in 1976 as a regional analyst for Asia. In 1977, he transferred to USDA's Office of International Cooperation and Development to be a staff

economist. While there he held various positions, including assistant administrator for development planning and analysis, acting director of agribusiness programs, and acting director, Scientific and Technical Exchange Division. He returned to ERS in 1984 on the staff of IED's Agricultural Development Branch, but was loaned to the U.S. Agency for International Development where he served as senior agricultural policy adviser in the Program and Policy Coordination Bureau.

Lederer has a B.S. from West Virginia University and an M.S. and Ph.D. in agricultural economics from the University of Tennessee. He received USDA's Superior Service Award in 1983 and the ERS Administrator's Special Merit Award in 1986. □

### Sullivan Named Branch Chief

Patrick Sullivan is the new chief of the Finance and Tax Branch, Agriculture and Rural Economics Division. Sullivan joined ERS in 1977. Prior to that, he completed undergraduate and graduate work at Syracuse University, and he taught for a year at the State University of New York at Oswego. Until 1984, he worked in the State and Local Government Section, first as leader of a capital markets



and municipal bond finance study and then as leader of the local government finance project. In 1984, he became leader of the Financial Markets Section, directing research on rural capital markets.

Sullivan has published widely on rural infrastructure and rural government finance issues. For the last 3 years, he has served on the board of editors of *State and Local Government Review*. Sullivan's research has earned him two USDA Certificates of Merit and an ERS Administrator's Special Merit Award. □

### Chattin Is New Section Leader

Barbara Chattin is the new leader of the Agricultural Policy Research Section, Food and Agricultural



Policy Branch, National Economics Division.

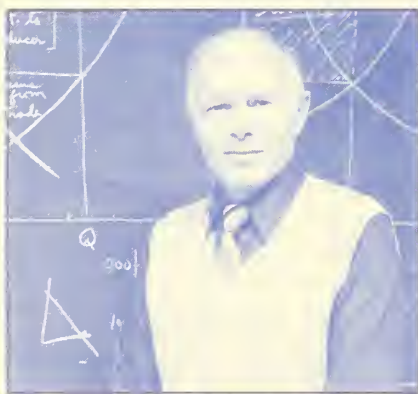
Chattin comes to the position with a combination of practical experience, academic training, and Federal Government service. After earning her B.S. from Michigan State University, Chattin worked for several years in Kenya analyzing social and economic development. She received an M.A. degree from the University of Kansas and a Ph.D. from Purdue University. Since joining ERS in 1981, Chattin has done extensive research and

analysis in energy, agricultural commodities, and agricultural trade policies. She has served as ERS coordinator for the Organization for Economic Cooperation and Development (OECD) trade study and has helped define the U.S. position and represented the U.S. Government at OECD meetings. In her various activities, Chattin has worked closely with the staffs of other agencies in USDA and the U.S. Department of State and with the Office of the U.S. Special Trade Representative. □

### **Sharples Is New Section Leader**

Jerry Sharples is the new leader of the Commodity Policy Section, International Economic and Trade Policy Branch, International Economics Division. Sharples has been in the branch since it was created and periodically has served as acting leader of the Commodity Policy Section. Most of Sharples' tenure with ERS was spent in field offices in Ohio, Iowa, Indiana, and California. He returned to Washington, DC, from Indiana in August 1985.

He received B.S. and M.S. degrees from Ohio State and a Ph.D. from Iowa State. For most of his career, he has focused on U.S.



domestic and trade policies related to agriculture. He also served as an ERS consultant on policy research with ministries of agriculture in the Philippines and Egypt. □

### **Smallwood Named Section Leader**

David Smallwood has been selected to be leader of the Food Policy Research Section, Food



Marketing and Consumption Economics Branch, National Economics Division.

Smallwood received his B.S., M.E., and Ph.D. degrees in economics from North Carolina State University. Since joining ERS in 1979, Smallwood's research has focused on determining how food consumption expenditures are affected by economic, sociodemographic, and government program factors. He has authored and coauthored numerous publications in outlets ranging from outlook and situation reports to the *Review of Economics and Statistics*. He has received two ERS Administrator's Special Merit Awards for research and has served on several technical review committees for USDA's Food and Nutrition Service and Agricultural Marketing Service. □

### **Tuan Is New Section Leader**

Francis Tuan is the new leader of the China Section, Asia Branch, International Economics Division. He joined ERS in 1979. As a member of the China Section since coming to ERS, his responsibilities have included research, situation and outlook, and staff analysis. His section has received two ERS Administrator's Special Merit Awards for outstanding situation and outlook contributions in the last 4 years. Tuan was coauthor of a report on China's planning and statistical systems and is preparing a monograph on China's livestock industry.

Tuan's professional experience includes serving as a researcher for the Council for International Economic Cooperation and Development in Taiwan and as a lecturer at the University of Illinois where he authored a number of



articles and reports on rural and regional economic issues.

Tuan has B.S. and M.S. degrees from National Taiwan University, an M.S. in agricultural economics from the University of Florida, and a Ph.D. in agricultural economics from the University of Illinois. □



## **Oris Wells Dies, Ex-BAE Chief**

Oris Vernon Wells, 82, chief of USDA's Bureau of Agricultural Economics (BAE) from 1946 to 1953, died of cardiac arrest October 23 at Alexandria (Va.) Hospital.

Wells was also administrator of USDA's Agricultural Marketing Service (1953-61) and deputy director-general of the Food and Agriculture Organization (FAO) of the United Nations (1963-71).

Wells was an adviser to the War Food Board (1942-45) and to the U.S. delegation to annual FAO conferences (1946-57). He was a member of the board of directors of USDA's Commodity Credit Corporation (1948-61) and of the general administrative board of the USDA Graduate School. He also was the USDA and USDA Graduate School liaison to the Nation Research Council's Food and Nutrition Board (1952-61).

Wells was a visiting lecturer at the University of Wisconsin (1949), regents' lecturer at the University of California (1973), and consultant for the Ford Foundation (1973-75). In 1972, he was the FAO delegate to the third U.N. Conference on Trade and Development (UNCTAD III) in Santiago and to the U.N. Conference on the Environment in Stockholm.

A fellow (since 1961) and former president of the American Agricultural Economics Association (1949/50), Wells was also active in the American Statistical Association, the Agricultural History Society, the International Association of Agricultural Economists, and Alpha Zeta (an honorary society).

Wells received an honorary D.Sc. degree from Montana State College (1950), an honorary LL.D.

degree from New Mexico College of Agriculture and Mechanic Arts (1952), USDA's Distinguished Service Award (1954), the Distinguished Alumnus Award from New Mexico State University (1964), and a Presidential Citation for his "pioneering farm policy activities" (1968). He was also decorated as "Grand Officiere dell'Ordine al Merito della Repubblica" by the Italian Government.

Born in Slate Springs, Mississippi, Wells moved to New Mexico at an early age and earned a B.S. degree at New Mexico College of Agriculture and Mechanic Arts in 1928. He was a graduate student at the University of Minnesota (1928/29), joined the BAE in 1929, and attended Harvard University as a social science scholar (1931/32). In 1933, Wells transferred to USDA's Agricultural Adjustment Administration and rejoined the BAE in 1939 when it became USDA's general planning agency. □

## **Highlights of Staff Activities**

### *Agriculture and Rural Economics Division (ARED)*

**Chinkook Lee** met with Khalil Hussein, deputy secretary general, Malaysia's Ministry of Agriculture to discuss how agricultural data are put together in constructing the U.S. national input-output transaction table • **Judith Sommer** was recently quoted in the *Richmond Times-Dispatch* on the sagging exports of major farm commodities—420 counties were listed "as the most vulnerable to the decreasing demand for U.S.

farm exports" • **Robert Muñoz** is on a 3-year assignment at Ohio State University where he will work with Ohio State and University of Wisconsin cooperators on the design, collection, and analysis of longitudinal data on farm family income, net worth, and farm structure • **Ronald Jeremias** presented a paper on the impact of tax reform on the agricultural sector at the North Central Regional (NCR-113) farm management research committee meeting • and **Ronald Babula** presented a seminar to ERS researchers on the U.S. crop export consequences of a non-U.S. macroeconomic shock: variation in nominal Japanese monetary growth.

### *International Economics Division (IED)*

**Carmen Nohre, Albert Evans, Jitendar Mann, Maurice Landes, Gary Ender, and Roger Hoskin** (NED) discussed demand, supply, and price trends in the international and U.S. fats and oils markets with Mohamed Khalil, deputy secretary of the Malaysian Ministry of Agriculture and A. Navamukundan, executive secretary, Malaysian National Union of Plantation Workers • **Marshall Cohen and Mark Newman** discussed Danish agriculture and exports with Hasse Kristiansen, agricultural specialist with the American Embassy in Copenhagen • **Cohen** also discussed U.S. and Swedish agricultural policy with Luther Markwast, vice president, U.S. Sugar Growers Association, and Peter Lundberg and Hans Ramel, officials of the Federation of Swedish Farmers • **Newman** also provided EC grain policy information to Sid Sprecher for

Iowa's public TV's "Market to Market" program • **Brian D'Silva** discussed Sudan's agricultural and economic situation with Bashir Omar Fadalla, Sudan's Minister of Finance and Economic Planning • **D'Silva** also provided information on food availability to Dr. Shanks, medical escort for the House Select Committee on Hunger whose members are going to visit Sudan and Ethiopia • **John Parker** discussed competition in Mideast markets for imported beef and frozen poultry with Jacques Bibard from Gordon International Research Association, in Paris • **Francis Urban** and **Christian Foster** coordinated a visit to ERS from a Hungarian trade delegation • **Foster** also prepared a briefing paper on the German Democratic Republic at the request of Senator Rudy Boschwitz • **Edward Overton** provided CBS News (New York) data on international agricultural production and trade • **Michael Kurtzig** participated in a meeting with Arie Nechemkin, Israel's Minister of Agriculture, and USDA Assistant Secretary for Economics Robert Thompson • **Kurtzig** also discussed cotton crop alternatives with Meir Ben-Meir, general director of Israel's Ministry of Agriculture, and discussed data collection and analysis for the Turkish grain crop with three economists from the Turkish Ministry of Agriculture • **Christine Bolling** discussed problems in the Peruvian economy with Miguel Vega Alvear, president of both the Peruvian National Society of Industry and the Peruvian Confederation of Private Enterprise Institutions • **Frederick Crook** organized and chaired a panel on "An Assessment of China's Rural Reforms, 1980-85," at the Mid-Atlantic Region Conference, Association for Asian Studies,

University of Delaware, in Newark • **Carol Goodloe** was interviewed on U.S.-Canadian trade by Don Elder for USDA's TV show "A Better Way" • **Carol Whitton** attended the annual plenary session of the International Cotton Advisory Committee and toured cotton producing areas, gins, spinning mills, and experiment stations, in Argentina • **William Coyle** participated in an international symposium on beef export opportunities for Pacific rim countries, in Tucson • **Carl Mabbs-Zeno**, **Peter Riley**, **Fawzi Taha**, **Brian D'Silva**, and **Larry Witucki** presented papers at the African Studies Association meeting, in Madison • **George Gardner** presented a paper at a meeting of the Middle East Studies Association of North America, in Boston • **Penelope Korb** attended the Organization for Economic Cooperation and Development (OECD) conference on online data capture and dissemination, in Paris • **Myles Mielke** met with private and public sector representatives in Mexico City to gather data and information to support the ERS trade liberalization study • **Jorge Hazera** traveled to Paraguay, Uruguay, and Argentina to evaluate their crop and livestock export outlook • **Nicole Ballenger**, **Carol Goodloe**, and **Gene Mathia** briefed Gordon Rausser, Council of Economic Advisers, on ERS's trade liberalization research program, including a U.S.-Canada free trade study • **Cecil Davison** was interviewed by USDA's Debora Janifer for the TV spot "Down to Earth" on material in the summary of the December *World Agriculture Situation and Outlook Report* • **Stephen Magiera** attended an OECD meeting in Paris on the "Synthesis Report for the Ministerial Trade Mandate" and

spent 3 weeks in Rome working on FAO's *Agriculture Towards 2000* report • **Sara Schwartz** briefed analysts from the U.S. Departments of State, Treasury, and Commerce and representatives from USDA on the impact of the *Food Security Act of 1985* on Thailand's rice exports • **John Dunmore** was the keynote speaker at "Ag Appreciation Day," in Lewiston, ID • and **Kelley White**, **Carol Goodloe**, **Mary Ann Normile**, **Nancy Schwartz**, and **Bob Robinson** (OA), participated in a meeting of the Work Group on Agricultural Subsidies of the U.S.-Canada free trade negotiations.

### *National Economics Division (NED)*

**Lee Christensen** met with a representative from the World Bank to discuss information available on U.S. poultry production • **David Hull** met with a team of Soviet ministers and diplomats at the Washington, DC, office of the U.S. Feed Grains Council • **James Schaub** briefed members of the Virginia-Carolina Peanut Association on ERS's oil crops situation and outlook program and the recently revised domestic food use series for peanuts, in Suffolk, VA • **Michael Harris**, **Thurlow Hutchinson**, and **James MacDonald** organized and conducted a symposium on transportation and international competitiveness • **Tanya Roberts** spoke on the economic losses due to selected foodborne diseases at the Animal Health Association meeting, in Louisville • **Shannon Hamm** discussed trends and outlook for fresh vegetable production and imports and **Robert Skinner** discussed the cotton outlook and situation on USDA's "Down to Earth" TV



program • **Michael Hanthorn** spoke on assessing a generic certificate program at the Farm Industrial and Equipment Institute's FED Statistics meeting • **Kenneth Baum** met with personnel from BIC Corp. and Oscar Mayer Corp. to evaluate research proposals on the effectiveness of generic beef advertising • **William Lin** spoke on the competitiveness of U.S. agricultural commodities in international markets at a Grain Elevator Business Conference, in Stillwater • **David Hull** participated in an Agricultural Industry Outlook Conference, in Indianapolis • **Verner Grise** presented a paper at the 60th annual meeting of the National Tobacco Tax Association, in Myrtle Beach, SC • **Janet Livezy** attended a seminar for agricultural economists at the Chicago Board of Trade and met with representatives from Stotler & Co., the Chicago Rice and Cotton Exchange, and Quaker Oats Co. • **Edward Glade** participated in the National Cotton Textile Research conference, in Myrtle Beach • **Linwood Hoffman** presented a paper on the U.S. oats industry at a meeting of the Milling Oats Improvement Association • **David Smallwood, Masao Matsumoto, Lester Myers, and Paul Nelson** met with members of the technical staff of the U.S. House of Representatives Select Committee on Hunger to discuss a request for research assistance from ERS • and at the American Agricultural Economics Association (AAEA) winter meeting in New Orleans, **James MacDonald** presented a paper on "Deregulation, Innovation, and Competition: Developments in Grain Transportation Since Rail Deregulation" and **Lester Myers, Kelley White** (IED), and **James**

**Blaylock** presented a paper on "A Realistic Assessment of the Domestic and World Food Markets with Focus on the Competitiveness of the U.S. in These Markets."

### *Natural Resource Economics Division (NRED)*

**Dan Dvoskin** gave a seminar on excess capacity in agriculture at Oklahoma State University and discussed the economics of jojoba production at a meeting of the Jojoba Growers Association, in Los Angeles • **Karl Gertel** and **Charles Barnard** presented a paper on methods of forecasting farmland values at a meeting of the North Central Regional Committee on Farmland Values (NC-123), in St. Louis • **Ralph Heimlich** was interviewed on the likely impacts of the swampbuster provision of the *Food Security Act of 1985* for "Down to Earth" • **Katherine Reichelderfer** and **Linda Lee** participated in discussions on risk in resource policy decisionmaking at a meeting of the Southern Natural Resource Economics Committee • **Reichelderfer** also gave a seminar and discussed ERS employment opportunities with faculty and staff at the Department of Agricultural and Resource Economics, University of Maine • **Marc Ribaud** met with staff of Resources for the Future met to compare results of their respective research on offsite benefits of reducing soil erosion • **Carlos Sisco** and **Stan Daberkow** briefed a committee of the Farm Industrial and Equipment Institute on the outlook for the farm machinery industry • **Luis Suguiyama** participated in a meeting sponsored by USDA's Agricultural Research Service to plan research and an areawide program to suppress *Heliothis*, the

most damaging insect pest complex in U.S. agriculture • **Robert Boxley** has been selected for the LEGIS Fellows Program for the 1987 session of the 100th Congress • **Gene Wunderlich** and **William Heneberry** discussed U.S. farmland values and land tenure with a senior researcher from Japan's National Research Institute for Agricultural Economics • and **Wunderlich** participated in an international seminar on land tenure, markets, and policy, in Seville, Spain.

### *Office of the Administrator (OA)*

**John Lee** spoke on "Serving the Rural South in the Twenty-First Century: Challenges and Opportunities," at the 44th Professional Agricultural Workers Conference, in Tuskegee, AL • **Bob Robinson** spoke about "A Shrinking Agricultural Market: The Effect on Farm Publications" at the Agricultural Circulation Managers Association, in New York City • **Robinson** also participated in the FAS Trade Situation Outlook conference, in Brussels, and the National Agricultural Credit meeting, in Chicago • **Robinson** and **Carol Goodloe** (IED) represented ERS at a meeting of the U.S.-Canadian Agricultural Subsidies Work Group, in Ottawa • **Terry Townsend** spoke about the impacts of national agricultural policies on California before the California Agribusiness Forum, in Fresno • and **Bruce Greenshields** is the new editor of the *AAEA Newsletter* for 1987-89. □

UNITED STATES DEPARTMENT OF AGRICULTURE  
ECONOMIC RESEARCH SERVICE  
1301 NEW YORK AVENUE, NW., ROOM 1212  
WASHINGTON, DC 20005-4788

